1952

**File No.** Road Transport Corp. II/52 (R)

Legal Department

B. BRANCH

P 1(6)

K

**Subject:—**

Rules under the Road Transport Corporations Act, 1948

**File No.** Road Transport Corp. II/52 (R)

Con. 194

388-B.

LEGAL DEPARTMENT

The view taken by the Motor Transport Controller in his letter dated 6th February 1952 at page 303 ante is not correct. Under section 29(1) of the Road Transport Corporations Act, 1950, the Corporation is bound to make such provisions for depreciation and for reserve and other funds as the State Government may, from time to time, direct. Sub-section (2) of that section enables the Corporationto determine the sums to be carried from time to time to the credit thereof, which sums will have to be determined by the Corporation in accordance with the directions issued by Government from time to time under sub-section (1). Under the proviso to sub-section (2) the Corporation cannot utilize the fund created for any purpose for any other purpose except with the previous approval of Government. Section 30 also refers to the liability of the Corporation to provide for depreciation, reserve and other funds under section 29. The view taken by Secretary, F.D. at page 383 that it is not for the Corporation to decide the contribution to the funds is therefore correct and there is no legal objection to adopting the draft rule as proposed by him.

Id/-J.R.D. 11/3
Additional Secretary to Government.

U.R. to H.D. No. 3838 ,dated the 11th March 1952.

BKS. 28
27/6/

4c.

2/7

K.S.R.
2/7